NCA
VOC FOR IOP/FN
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FRANK M. FEINBERG

U.S. PROJECTS RISE IN GROSS NATIONAL PRODUCT

ANNCR:

THE U.S. COMMERCE DEPARTMENT PREDICTS THE VOLUME OF TOTAL ECONOMIC OUTPUT THIS YEAR WILL RISE BY AT LEAST SIX PERCENT. VOA BUSINESS EDITOR FRANK FEINBERG HAS THIS BACKGROUND REPORT:

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THE COMMERCE DEPARTMENT SAYS CONDITIONS ARE IN MOTION FOR A CONTINUATION OF THE U.S. ECONOMIC RECOVERY IN 1976. GROWTH IN REAL GROSS NATIONAL PRODUCT--ALLOWING FOR INFLATION--IS EXPECTED TO RISE BY SIX OR SEVEN PERCENT--AS AMERICAN INDUSTRY AND COMMERCE CONTINUES TO INCREASE OUTPUT. THE ESTIMATES ARE IN THE COMMERCE DEPARTMENT'S ANNUAL PROJECTIONS OF OUTPUT IN TWO-HUNDRED INDUSTRIES. BOTH MANUFACTURING AND SERVICE INDUSTRIES ARE COVERED--FROM MATERIALS SUCH AS STEEL AND ALUMINUM TO TRANSPORTATION, MARKETING AND BANKING.

THE VALUE OF ALUMINUM SHIPMENTS IS EXPECTED TO INCREASE ABOUT FIFTY-ONE PERCENT. BOTH THE STEEL AND AUTOMOBILE INDUSTRIES SHOULD INCREASE OUTPUT THIRTEEN PERCENT OR MORE OVER LAST YEAR. THE CONSTRUCTION INDUSTRY WILL BENEFIT FROM A LARGER VOLUME OF NEW HOMES. IN THIS FIELD, THE OUTPUT OF MOBILE HOMES--PRODUCED IN FACTORIES--IS PROJECTED TO INCREASE ABOUT THREE-FOLD THIS YEAR--TO MORE THAN SIX-HUNDRED THOUSAND UNITS.

OTHER INDUSTRIES FOR WHICH GAINS ARE FORECAST ARE BRASS AND COPPER MILLS, MINING AND OILFIELD MACHINERY, FARM

EQUIPMENT, PLASTIC MATERIALS AND RESINS. RAILROAD FREIGHT TRAFFIC IS EXPECTED TO BE UP FIVE PERCENT, LARGELY DUE TO GROWING COAL SHIPMENTS. AND TRAFFIC ON AIRLINES IS PROJECTED AT A SEVEN PERCENT RISE--WITH INCREASES IN BOTH PASSENGERS AND CARGO.

NOT ALL INDUSTRIES AT PRESENT ARE EXPECTED TO SHARE IN THE UPWARD TREND. THE AEROSPACE AND SHIPBUILDING INDUSTRIES NEED MORE ORDERS. AND MACHINE TOOL SHIPMENTS REMAIN SOMEWHAT SLUGGISH.

THE COMMERCE DEPARTMENT'S REPORT PREDICTS A FURTHER DECLINE IN THE UNEMPLOYMENT RATE TO SEVEN PERCENT OR SLIGHTLY MORE FOR THIS YEAR AS A WHOLE. BY HISTORICAL STANDARDS, THIS RATE OF UNEMPLOYMENT IN THE UNITED STATES IS HIGH, DESPITE EIGHT-FIVE MILLION PLUS AMERICANS GAINFULLY EMPLOYED. HOWEVER, LAST MONTH, EMPLOYMENT CLIMBED BY SOME TWO-HUNDRED-THIRTY-THREE THOUSAND PERSONS--THE LARGEST INCREASE SINCE MID-YEAR IN 1975, AT THE START OF THE ECONOMIC RECOVERY.

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